

Statistical bulletin

# Foreign affiliate statistics, UK: 2024

Foreign affiliate statistics for multinational enterprises in the UK, covering the number of affiliates, turnover, employment, and cost of employees. These are official statistics in development.

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# 1 . Main points

- The number of inward affiliates (UK companies controlled by overseas companies) increased between 2020 and 2024; there were 200,774 affiliates in the UK in 2024, up by 35.0% from 148,742 in 2020.
- Retail and wholesale were the UK industries with the most inward affiliates in 2024, at 37,221; the economy with the most inward affiliates in the UK was the US, at 41,909.
- There were 6.6 million employees in the UK working for inward affiliates in 2024; this was 19.3% higher than in 2020, when there were 5.6 million employees.
- Statistics in this publication are based on a new method for inward foreign affiliate statistics (IFATS), which uses information that was not available when the previous method was developed.
- When using some microdata case studies for 2022, the new method estimated higher employment than the previous one; however, the values were not always higher for the number of affiliates and their turnover.
- When comparing both methods, the new one covers more of the IFATS population, while the previous method only identified the largest inward foreign affiliates.

## 2 . Inward foreign affiliate statistics

Inward foreign affiliate statistics (IFATS) measure the activity of multinational enterprises (MNEs), highlighting the role that MNEs play in a domestic economy in relation to the location of their final (ultimate) controlling parent company.

Our statistics give the number, turnover, employment, and cost of employees of UK affiliates that are controlled by parent companies outside of the UK.

These are official statistics in development. More information on our methods can be found in [Section 3: Developing inward foreign affiliate statistics](#).

## Number of inward affiliates in the UK

The number of inward affiliates in the UK followed an upward trend between 2020 and 2024.

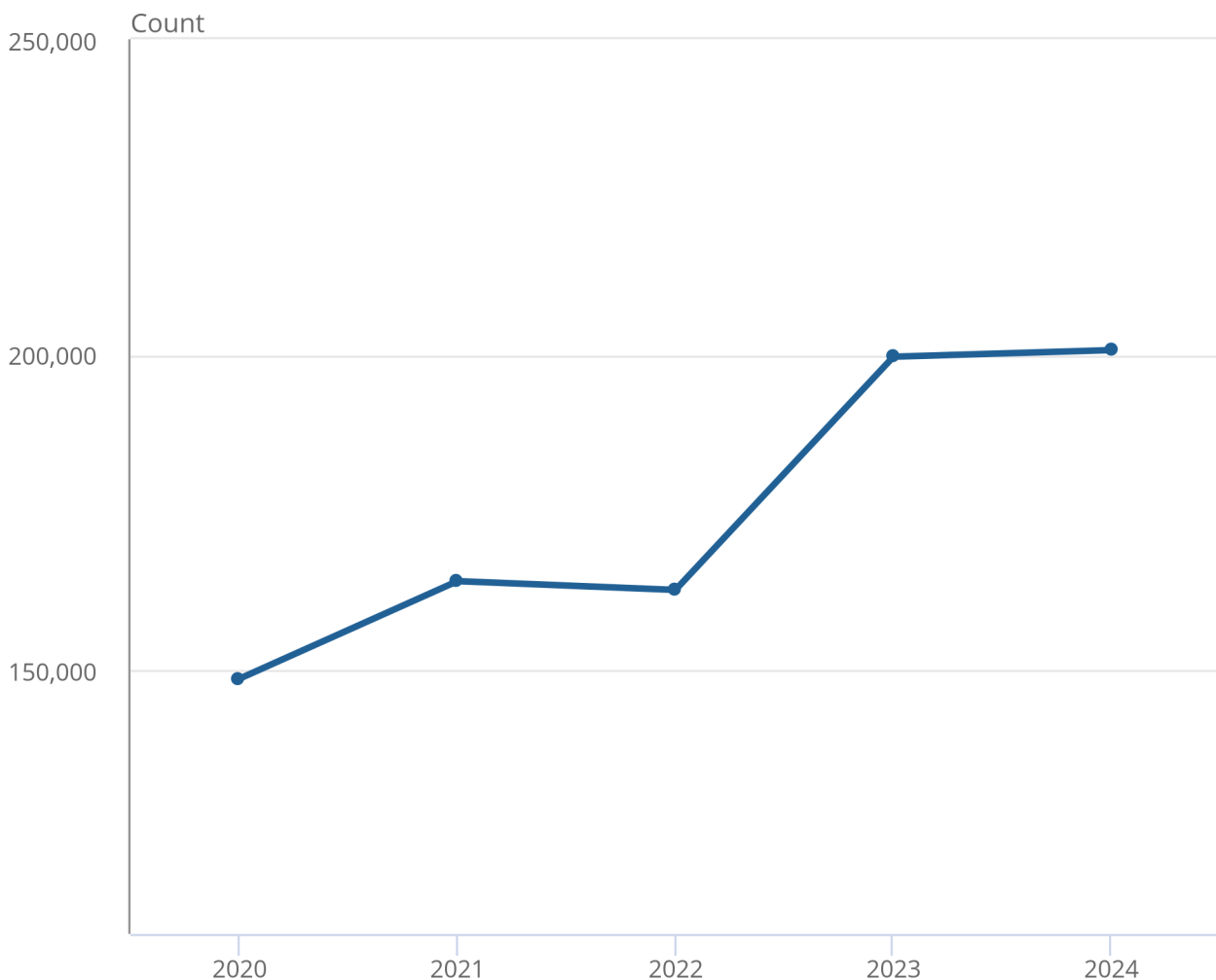
By 2024, there were 200,774 affiliates in the UK that were controlled by a foreign parent company. This was 0.5% higher than in 2023 (199,727) and 35.0% higher than in 2020 (148,742), as per Figure 1.

### Figure 1: The number of inward affiliates in the UK passed 200,000 in 2024

Number of inward foreign affiliates in the UK, 2020 to 2024

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Number of inward foreign affiliates in the UK, 2020 to 2024



Source: Foreign Direct Investment from the Office for National Statistics

Our IFATS also give estimates broken down by the ultimate controlling economy or industry.

Figure 2 shows that the highest number of UK inward affiliate enterprises were in the retail and wholesale industries, with a combined 37,221 affiliates (18.5%) in 2024.

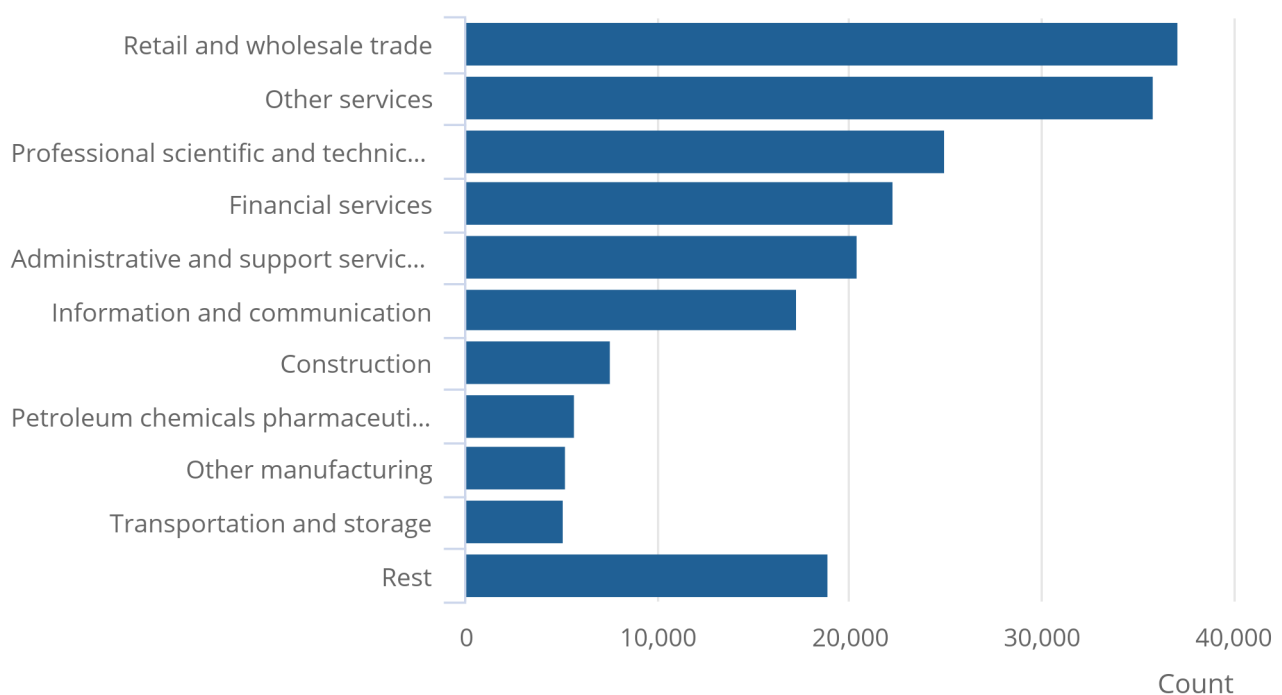
Retail and wholesale accounted for the highest proportion of the UK total inward affiliate companies in every year between 2020 and 2024.

**Figure 2: More than one-third of inward foreign affiliate companies in the UK were in retail and wholesale or other services in 2024**

Number of inward foreign affiliates in the UK by grouped industries, 2024

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Number of inward foreign affiliates in the UK by grouped industries, 2024



Source: Foreign Direct Investment from the Office for National Statistics

The US accounted for the highest number of inward foreign affiliates in the UK in 2024 (Figure 3).

There were 41,909 inward affiliates in the UK with US ultimate parent companies, which was nearly 1,500 higher than the number in 2023 (40,442).

The next highest numbers in 2024 were from the UK offshore islands (31,029), Luxembourg (14,656) and the Netherlands (12,062). These economies are often associated with special purpose entities that MNEs can use for internal corporate activity.

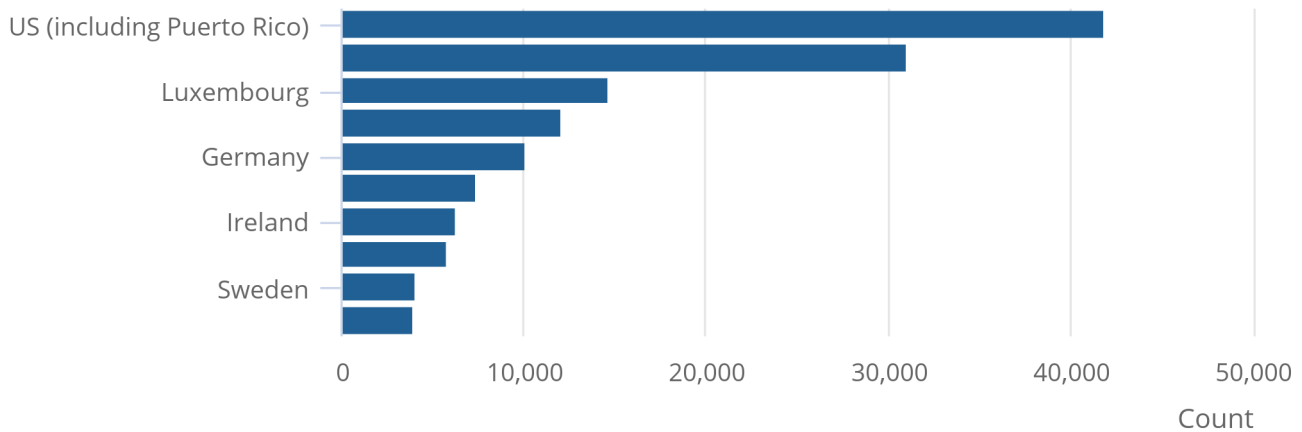
Since IFATS are presented using the ultimate controlling economy, we look through any special purpose entities to show which economies ultimately control these UK affiliates.

### Figure 3: One-fifth of inward affiliates in the UK were controlled by US companies in 2024

Number of inward foreign affiliates in the UK by economy of the ultimate parent company, ten highest counts by descending value, 2024

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Number of inward foreign affiliates in the UK by economy of the ultimate parent company, ten highest counts by descending value, 2024



Source: Foreign Direct Investment from the Office for National Statistics

These statistics show that, in 2024, just over one-third of inward affiliates in the UK (69,080 or 34.4%) were ultimately controlled by EU countries.

The remaining 65.6% of UK inward affiliates were controlled by companies from outside the EU, of which the US accounted for 20.9 percentage points.

## Employment and turnover for inward affiliates in the UK

Our IFATS also include estimates for the turnover, employment and cost of employees of those affiliates in the UK. Employment and turnover combine information from the commercial data source with the UK's statistical business register, while cost of employees relies on the commercial data source only.

The number of inward affiliates in the UK has grown relatively faster than that of employment and turnover, between 2020 and 2024. The number of affiliates has followed an upward trend over that period (Figure 4).

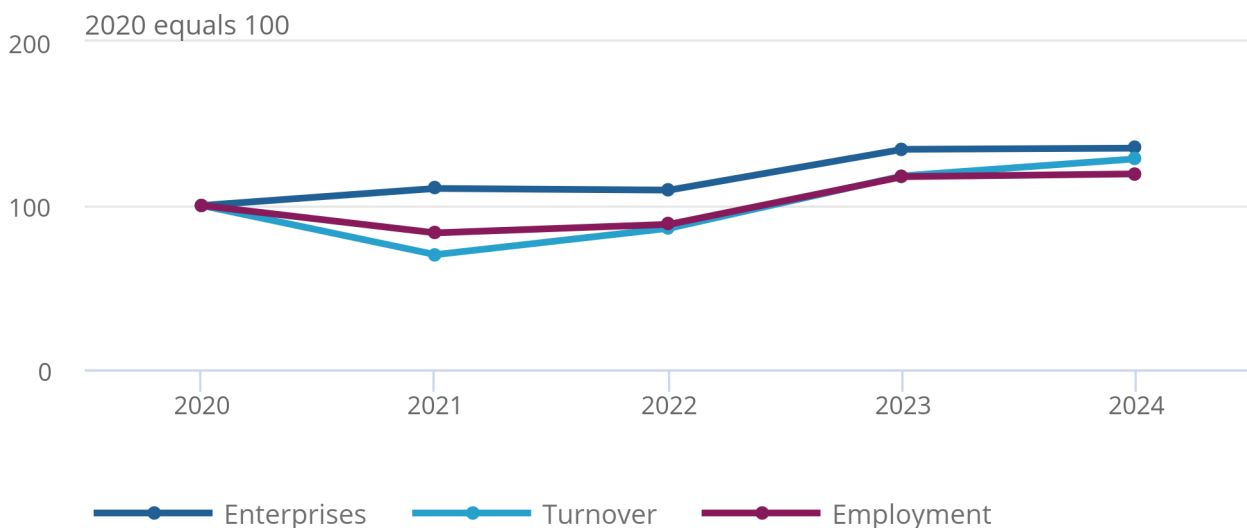
The index value was 135 in 2024, compared with 100 in 2020, meaning the number of affiliates was 35% higher in 2024 than in 2020. The relative change in employment was 19.3% higher in 2024 (index value 119.3) than in 2020 (indexed to 100).

### Figure 4: The growth in turnover was relatively higher than the growth in the number of inward affiliates and their employment between 2021 and 2024

Number of inward foreign affiliates, turnover and employment in the UK, index 2020 equals 100, 2020 to 2024

#### Figure 4: The growth in turnover was relatively higher than the growth in the number of inward affiliates and their employment between 2021 and 2024

Number of inward foreign affiliates, turnover and employment in the UK, index 2020 equals 100, 2020 to 2024



Source: Foreign Direct Investment from the Office for National Statistics

Turnover decreased between 2020 and 2021 but grew relatively steadily year-on-year to 2024. This could be reflecting the growth in the number of affiliates and their associated employment, in addition to any recovery in business activity after the coronavirus (COVID-19) pandemic, which started in 2020.

By 2024, the value of UK turnover for inward affiliates was 28.5% higher than it was in 2020, making it slightly lower than the growth in the number of affiliates over the same period.

### 3 . Developing inward foreign affiliate statistics

We have been developing our methods for inward foreign affiliate statistics (IFATS) because of the high level of user interest in this information. IFATS give an indication of the contributions that foreign companies make to the UK economy, including through employment and turnover.

In 2020, we introduced a commercial data source to inform our foreign direct investment (FDI) populations. This source includes detailed information on the cross-border corporate structures of UK companies, including the equity (voting power) of parent companies in their affiliates. This information is necessary to compile IFATS and was not available before 2020.

Additionally, we are developing our IFATS following the review of and update to international standards for official statistics. These standards now include an agreed definition of a multinational enterprise (MNE), which is based on control relationships and forms the basis of IFATS.

Our IFATS are early estimates and still in development. We are publishing these results now to promote discussion and feedback on our methods. We will also be planning how we can develop them as we look towards them eventually becoming official statistics.

A summary of our methods can be found in [Section 6: Data sources and quality](#), in addition to more detail in our [Foreign affiliate statistics, improving inward methods, UK: July 2026 supporting methodology article](#).

We will be reviewing the geography and industry detail presented in our datasets, in addition to any other ways in which they could be broken down (disaggregated).

We also need to assess if separate information from the Bank of England would enhance these statistics further. This is in addition to considering if there are other data sources we could use to provide more information on the contributions of inward affiliates to the UK economy.

Please direct any feedback or suggestions for presenting these statistics, or questions about interpreting the statistics published in this bulletin, to [fdi@ons.gov.uk](mailto:fdi@ons.gov.uk).

## Previous method for inward foreign affiliate statistics

Our previous method for calculating IFATS linked separate survey microdata. This started with all foreign-owned businesses on the Annual Business Survey, to which we linked Business Register and Employment Survey microdata. This was supported by information from the Bank of England on monetary financial institutions.

This method was used in the statistics reported to Eurostat up to 2019 and has been continued as separate datasets on our website, the most recent version of which is our [Inward foreign affiliates statistics, UK, 2018 to 2023 dataset](#). We have used a similar template for this bulletin but may change how IFATS are presented in the future.

While the values for the number of affiliates and employment are lower using the previous method, the relative trends have some similarities. In 2022, the previous method estimated 35,176 affiliates. Our new method identified more than four times as many affiliates in 2022 (162,796).

The differences between both methods for employment and turnover are smaller than those for the number of inward affiliates. The previous method estimated foreign affiliates accounting for 4.5 million jobs in 2022, compared with 4.9 million for the new method. Estimates for turnover in 2022 were around 7% lower, at £1,744.8 billion using the previous method, and £1,618.9 billion using the new method.

These figures highlight that the additional affiliates identified by the new method are likely to be smaller than average. However, the trends in the previous and new methods share some similarities when allowing for these differences.

Figure 5 shows our IFATS using the previous method, with values for the number of affiliates, employment and turnover indexed to 2020, the same as in Figure 4, which uses the new method.

**Figure 5: Using the previous method, the relative growth in turnover of inward affiliates was higher than for the number of affiliates and their employment between 2020 and 2023**

Number of inward foreign affiliates, turnover and employment in the UK using our previous method, index 2020 equals 100, 2018 to 2023

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Number of inward foreign affiliates, turnover and employment in the UK using our previous method, index 2020 equals 100, 2018 to 2023



**Source: Foreign Direct Investment from the Office for National Statistics**

We found that, using either method, turnover grew much faster than the number of affiliates and employment.

For the previous method, turnover was 73.9% higher in 2023 than in 2020, with the number of affiliates being 20.3% higher and their employment being 12.0% higher over the same period.

This aligns with the faster growth in turnover between 2021 and 2024 in the new method, in addition to the slightly higher growth in the number of enterprises, compared with their employment.

## Case studies comparing our methods

We have identified the 2022 microdata for three companies using both the previous and current methods. The results are summarised in Table 1.

Table 1: Examples comparing company results between the previous and new inward foreign affiliate statistics methods, 2022

	<b>Number of affiliates, count</b>	<b>Employment, count</b>	<b>Turnover, £ million</b>
<b>Company 1: previous method</b>	1,642	38,187	2,382.0
<b>Company 1: new method</b>	643	45,490	1,193.5
<b>Company 2: previous method</b>	204	73,183	6,658.3
<b>Company 2: new method</b>	31	82,261	12,048.0
<b>Company 3: previous method</b>	220	26,711	823.7
<b>Company 3: new method</b>	357	56,850	1,466.3

Source: Foreign Direct Investment from the Office for National Statistics

Our research shows that the new method for IFATS estimated higher employment in all three cases.

The biggest difference was for Company 3, for which the new method estimated more than double the employment (56,850) compared with the previous method (26,711), or 112.8% higher. For Company 1 and Company 2, employment was 19% and 12% higher, respectively.

The comparison for the number of affiliates and turnover is less consistent. The new method identified higher affiliate counts only for Company 3, compared with around 85% fewer for Company 2 and around 61% fewer for Company 1.

Despite the lower number of affiliates for Company 2 in the new method, total turnover was higher (£12,048.0 million) when compared with the previous method (£6,658.3 million). Turnover for Company 1 was lower using the new method when compared with the previous method.

These comparisons suggest that the previous method was more effective at identifying the higher-value inward affiliates and that the new method covers more of the population.

The commercial data source allows for more accurate identification of control relationships, in addition to better coverage of branches. These entities are completely owned by their parent company but are not operationally independent of it. Branches can be identified with greater accuracy in our new method, as well as excluding affiliates without a direct control relationship.

## 4 . Data on foreign affiliate statistics

[Foreign affiliate statistics, inward, UK](#)

Dataset | Released 10 July 2026

Inward foreign affiliate statistics (IFATS) in the UK, including the number of enterprises, their employment, turnover and cost of employees within foreign-owned multinational enterprises. These are official statistics in development.

## 5 . Glossary

## Affiliate

An entity that has an investment relationship with another company in a different economy. This relationship can be direct control or through the indirect transmission of control along the ownership structure.

## Foreign direct investment

Foreign direct investment (FDI) is cross-border investment made with the objective of establishing a lasting interest in the host economy. FDI is defined by equity relationships, in which the direct investor (parent company) controls at least 10% of the voting power (ordinary shares) of the direct investment enterprise.

These relationships can be measured in two directions: outward and inward. Outward refers to the direct investment of UK-resident companies in other countries, while inward refers to the direct investment in the UK from non-resident companies.

## Multinational enterprise

A multinational enterprise is a legal entity that has at least one non-resident affiliate or branch, and exercises control over its affiliate(s) or branch(es) either directly - by having over 50% of the voting power in the entity - or by indirect transmission of control, as described by the International Monetary Fund's [Integrated International Investment Position and Balance of Payments Manual \(PDF, 7.1MB\)](#) and the Organisation for Economic Co-operation and Development's (OECD's) [Benchmark Definition of Foreign Direct Investment](#).

# 6 . Data sources and quality

## Data sources

The main source of information for these inward foreign affiliate statistics (IFATS) is the commercial data source used to inform the foreign direct investment (FDI) populations. This source contains detailed corporate structures and equity ownership values for UK companies within an enterprise group, as well as information on company employment and accounts.

Employment information is additionally supplemented using Pay As You Earn (PAYE) data stored on our Inter-Departmental Business Register (IDBR).

We will consider whether the information received from the Bank of England can add further information to our results in a future development for these statistics.

## About these statistics

IFATS are based on control relationships only, requiring equity ownership (voting power) above 50%. This means that these statistics are a subset of companies in the FDI population, which includes all cross-border equity relationships of 10% or more. These IFATS are not directly comparable with FDI results.

We are publishing these early estimates for IFATS to share our progress and receive feedback on our methods and how the results are presented. As official statistics in development, there might be some changes to our methods and the time-series estimates in future editions.

## Quality

These are early estimates for IFATS using some new methods. More detail on these methods can be found in our [Foreign affiliate statistics, improving inward methods, UK: July 2026 supporting methodology article](#).

## 7 . Related links

[Foreign affiliate statistics, improving our inward methods, UK: July 2026](#)

Supporting methodology article | Released 10 July 2026

Improvements to our foreign affiliate statistics methodology, allowing for better coverage of foreign-controlled businesses in the UK.

[Foreign direct investment involving UK companies: 2024](#)

Bulletin | Released 27 January 2026

Investment of UK companies abroad (outward) and foreign companies into the UK (inward), including investment flows, positions and earnings, by country, component and industry.

[Foreign direct investment, UK inward network: 2021](#)

Article | Released 30 October 2023

How foreign direct investment into UK companies moves through different regions to reach its final recipient. Experimental statistics.

## 8 . Cite this statistical bulletin

Office for National Statistics (ONS), released 10 July 2026, ONS website, statistical bulletin, [Foreign affiliate statistics, UK: 2024](#)